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## IN THE UNITED STATES BANKRUPTCY COURT FOR THE EASTERN DISTRICT OF PENNSYLVANIA

In re:	:	CHAPTER 11
in re:	: CHA	CHAPTER 1.

SCUNGIO BORST & ASSOCIATES, LLC : BANKRUPTCY NO. 22-10609(AMC)

Debtor

## CONSENT ORDER RESOLVING MOTION OF HASAN TAHIRAJ TO LIFT AUTOMATIC STAY AND PERMIT ACTION TO PROCEED IN NEW YORK STATE SUPREME COURT [D.I. 62]

THIS IS A CONSENT ORDER (the "Consent Order") by and between Scungio Borst & Associates, LLC (the "Debtor") and Hasan Tahiraj ("Tahiraj", and together with the Debtor, the "Parties").

## **BACKGROUND**

- A. On March 11, 2022 (the "<u>Petition Date</u>"), the Debtor filed a voluntary petition for relief pursuant to Chapter 11 of Title 11, United States Code (the "<u>Bankruptcy Code</u>").
- B. Since the Petition Date, the Debtor has remained in possession of its assets and is liquidating its business as a debtor-in-possession pursuant to §§ 1107 and 1108 of the Bankruptcy Code.
- C. Prior to the Petition Date, Tahiraj allegedly sustained personal injuries and currently has an action pending in New York State Supreme Court, Kings County to recover damages against several defendants including the Debtor. The litigation is styled *Tahiraj v. Brooklyn Kings Plaza LLC, et al.*, Index No. 513231/2016 (the "State Court Action").
- D. On April 13, 2022, Tahiraj filed a Motion to Lift Automatic Stay to Proceed in New York State Supreme Court seeking, *inter alia*, a termination of the automatic stay with respect to the State Court Action (the "Motion") [D.E. 62].

E. The Parties have concluded that resolving the Motion by this Consent Order is appropriate under governing law and consistent with the interest of the Debtor's estate, its creditors and parties in interest.

**NOW, THEREFORE,** the foregoing Background being incorporated herein and made a part hereof, and with the agreement of the Parties, it is hereby **ORDERED** as follows:

- 1. The automatic stay is modified solely to permit the continuance and prosecution of the State Court Action and any subsequent appeals taken by any parties thereto.
- 2. Tahiraj waives his right to collect from any assets of the Debtor's bankruptcy estate on account of any claim that has been or could be asserted in or as a result of the State Court Action or entry of any judgment or settlement therein. Tahiraj shall not file or otherwise assert any claim or claims in the Debtor's bankruptcy case arising from or related to the State Court Action.
- 3. Except as set forth herein, the provisions of Section 362 of the Bankruptcy Code shall remain in full force and effect. Tahiraj shall not attempt to cause any action to be taken to collect or otherwise enforce any portion of any settlement with, or judgment that may be obtained against, the Debtor in the State Court Action from assets or property of the Debtor's estate.
- 4. Tahiraj shall be limited by, and shall look strictly and solely to, the proceeds of the applicable policy or policies of insurance maintained by the Debtor with respect to any liability of the Debtor arising from or relating to the State Court Action.
- 5. Tahiraj, nor any of his agents, attorneys or representatives, shall take any action or attempt to cause any action to be taken to collect from the Debtor or its bankruptcy estate all or any portion of any claim relating to, or any judgment obtained in, the State Court Action.
- 6. Any and all rights belonging to Tahiraj to collect any such claim or judgment from the Debtor or its bankruptcy estate, other than those claims for the proceeds of applicable policy or policies of insurance maintained by the Debtor with respect to any liability of the Debtor arising

from or relating to the State Court Action, is hereby released, waived, discharged and expunged with prejudice.

- 7. This Consent Order shall be binding upon and inure to the benefit of the Parties hereto and their heirs, executors, administrators, predecessors, trustees, successors and assigns.
- 8. The Court shall retain jurisdiction to hear and determine all matters arising from the implementation of this Consent Order.

DAZ MITTE COTTOM

Dated:	abry THE COURT:	
	ASHELY M. CHAN,	
Date: April 27, 2022	UNITED STATES BANKRUPTCY JUDGE	

CONSENT IS HEREBY GIVEN TO THE FORM, SUBSTANCE AND ENTRY OF THE WITHIN ORDER:

**KARALIS PC** 

ARIS J. KARALIS

ROBERT W. SEITZER 1900 Spruce Street Philadelphia, PA 19103 (215) 546-4500 akaralis@karalislaw.com

rseitzer@karalislaw.com

Attorneys for the Debtor

Dated: April 🔪 🔨 , 2022

JAROSLAWICZ & JAROS PLLC

By: DAVID TOLCHIN

225 Broadway, 24th Floor New York, NY 10007

(212) 227-2780

(212) 227-2780

dtolchin@lawjaros.com

Attorneys for Tahiraj

Dated: April 24, 2022